

Message Text

CONFIDENTIAL

PAGE 01 LISBON 06783 01 OF 02 150659Z
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10
L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11
OMB-01 OPIC-03 IO-13 TRSE-00 AID-05 /088 W
-----045800 150721Z /14

P R 141722Z SEP 78
FM AMEMBASSY LISBON
TO SECSTATE WASHDC PRIORITY 6992
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY LONDON
AMEMBASSY MADRID
AMEMBASSY MOSCOW
AMCONSUL OPORTO
AMEMBASSY PARIS
AMCONSUL PONTA DELGADA
AMEMBASSY ROME
USMISSION USNATO
USCINCEUR VAIHINGEN GER
USNMR SHAPE BEL
COMUSFORAZ

C O N F I D E N T I A L SECTION 1 OF 2 LISBON 6783

USEEC

E.O. 11652: XGDS-3
TAGS: PINT PO
SUBJECT: OUTLOOK FOR THE NEW GOVERNMENT

REF: LISBON 6711

SUMMARY: ASSEMBLY LEADERS FROM THE PS, PSD, AND CDS BELIEVE
THE NOBRE DA COSTA GOVERNMENT PROGRAM WILL BE REJECTED.
DEBATE WILL CONCLUDE AND A VOTE WILL BE TAKEN ON THE THREE
REJECTION MOTIONS LATE SEPT 14 OR IN THE WEE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 06783 01 OF 02 150659Z

HOURS OF SEPT 15. END SUMMARY.

1. PS VIEWS:

SOCIALIST PARLIAMENTARY GROUP VICE PRESIDENT CARLOS LAGE
TOLD EMBOFF SEPT 12:

-- PROGRAM WILL BE REJECTED: THE PS WILL PROBABLY VOTE FOR ALL THE REJECTION MOTIONS PRESENTED AND THUS INSURE THE REJECTION OF THE GOVERNMENT PROGRAM.

-- PRESIDENT'S OPTIONS LIMITED: PRESIDENT EANES CAN- NOT CALL NEW ELECTIONS AT THIS STAGE WITHOUT REVOLUTIONARY COUNCIL CONSENT (ART. 136,E OF THE CONSTITUTION.) THE PRESIDENT IS THUS LIKELY TO TURN TO THE PARTIES TO FORM A NEW GOVERNMENT.

-- NO PARTY AGREEMENT YET: NO FIRM AGREEMENT HAS BEEN REACHED AMONG THE PARTIES BUT THERE IS A CLEAR INTEREST IN REACHING AGREEMENT.

2. PSD PESSIMISTIC:

FORMER PSD PRESIDENT AND LEADER OF PSD MODERATES IN THE ASSEMBLY ANTONIO SOUSA FRANCO, WHO OF LATE HAS REPAIRED HIS RELATIONS WITH PSD PRESIDENT SA CARNEIRO, TOLD EMBOFF SEPT 12:

-- PROGRAM DOOMED: THE NOBRE DA COSTA PROGRAM WILL BE DEFEATED IN THE ASSEMBLY; THIS IS JUST AS WELL SINCE OTHERWISE THE GOVERNMENT WOULD HAVE 70 PERCENT OF THE ASSEMBLY AGAINST IT AND THEREFORE HAVE A FALSE MANDATE.

-- FUTURE PROSPECTS POOR: THE PRESIDENT IS LIKELY TO GIVE THE CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 06783 01 OF 02 150659Z

PARTIES ANOTHER 10-DAY PERIOD TO COME UP WITH A PARTY AGREEMENT BUT INSUFFICIENT PROGRESS HAS BEEN MADE IN INTER-PARTY DISCUSSIONS TO MAKE SUCH AN ACCORD LIKELY. THE PRESIDENT MIGHT THEN COME BACK TO THE ASSEMBLY WITH THE SAME OR A DIFFERENT NOBRE DA COSTA GOVERNMENT. TWO OR THREE SUCCESSIVE GOVERNMENT PROGRAM REJECTIONS BY THE ASSEMBLY ARE POSSIBLE.

-- ONE BRIGHT SPOT: BOTH THE POLITICAL PARTIES AND THE PRESIDENT WILL ENTER THE NEXT PHASE OF DISCUSSIONS IN A MORE FLEXIBLE MOOD THAN THEY HAVE IN THE PAST. IT IS POSSIBLE THAT AN AGREEMENT CAN BE REACHED.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LISBON 06783 02 OF 02 150706Z

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-10

L-03 NSAE-00 NSC-05 PA-01 SP-02 SS-15 ICA-11

OMB-01 OPIC-03 IO-13 TRSE-00 AID-05 /088 W

-----045952 150721Z /14

P R 141722Z SEP 78

FM AMEMBASSY LISBON

TO SECSTATE WASHDC PRIORITY 6993

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY MADRID

AMEMBASSY MOSCOW

AMCONSUL OPORTO

AMEMBASSY PARIS

AMCONSUL PONTA DELGADA

AMEMBASSY ROME

USMISSION USNATO

USCINCEUR VAHINGEN GER

USNMR SHAPE BEL

COMUSFORAZ

C O N F I D E N T I A L SECTION 2 OF 2 LISBON 6783

USEEC

3. CDS HOLDS OUT HOPE:

FORMER MINISTER OF COMMERCE AND CDS SECRETARY GENERAL BASILIO
HORTA TOLD EMBOFF SEPT 12 THAT:

-- REJECTION APPEARS CERTAIN: THE PSD AND THE CDS WILL
ALMOST CERTAINLY VOTE FOR EACH OTHER'S REJECTION MOTIONS.

-- CDS NEGOTIATING POSITION: A NEW PARTY AGREEMENT ON FORMATION OF A
GOVERNMENT MAY BE POSSIBLE, BUT, THE CDS WILL INSIST ON PSD AS
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 06783 02 OF 02 150706Z

WELL AS PS PRESENCE IN A NEW GOVERNMENT. DISCUSSIONS ARE ONGOING
BUT INSUFFICIENT PROGRESS HAS BEEN MADE TO DATE.

-- SOCIALIST STAND: THE SOCIALISTS ARE INSISTING ON A PRIME MINISTER
FROM THEIR PARTY (NOT NECESSARILY SOARES). ADDITIONAL PROGRESS
WILL HAVE TO BE MADE BETWEEN THE PRESIDENT AND THE SOCIALISTS BEFORE
AN ACCORD IS POSSIBLE.

-- ANOTHER OPTION: THE CDS IS IN CONTACT WITH THE PRESIDENT
AND SOME UNDERSTANDINGS HAVE BEEN REACHED. THE PRESIDENT COULD

REAPPOINT NOBRE DA COSTA OR ANOTHER INDEPENDENT PRIME MINISTER AND SEEK TO GAIN PS AND OTHER PARTY PARTICIPATION IN THE GOVERNMENT. IT IS ALSO POSSIBLE THAT THE PSD AND CDS ALONE MIGHT PARTICIPATE IN A NEW NOBRE DA COSTA GOVERNMENT. THE CDS RECOGNIZES THAT THE CDS AND THE SOCIALISTS ARE ON A DECLINE AND THAT THE PSD AND COMMUNISTS ARE BUILDING UP STRENGTH.

4. THE PRESIDENCY:

A SENIOR OFFICIAL IN THE CIVIL HOUSEHOLD OF THE PRESIDENCY EXPRESSED TO US ON SEPTEMBER 14 VIEWS CONSISTENT WITH THE FOREGOING (FULL REPORT SEPTTEL). HE SAID:

-- THE NEW GOVERNMENT WILL PROBABLY BE REJECTED.

-- THE PRESIDENT WOULD THEN ASK THE PARTIES IF THEY COULD COME UP WITH PROPOSALS FOR A NEW GOVERNMENT THAT WOULD HAVE ASSEMBLY SUPPORT.

-- IF THE PARTIES ARE UNABLE TO AGREE ON SUCH A GOVERNMENT THE PRESIDENT WOULD THEN NAME A NEW
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 06783 02 OF 02 150706Z

GOVERNMENT, POSSIBLY NOBRE DA COSTA BUT WITH A DIFFERENT SET OF MINISTERS, TO RUN THE COUNTRY UNTIL ELECTIONS.

-- ELECTIONS COULD TAKE PLACE EITHER AS SOON AS THE NEW ELECTORAL CENSUS IS COMPLETE (IF THE PARTIES INSIST ON ELECTIONS), OR AS LATE AS 1980 IF THE PARTIES IN THE COURSE OF THE FALL CONCLUDE THEY CAN LIVE WITH AND SUPPORT THE POLICIES OF THE NEW GOVERNMENT.

5. COMMENT: IF THE GOVERNMENT IS REJECTED AS PREDICTED, EARLY FORMATION OF A VIABLE SUCCESSOR WILL BE TOUGH.
ROWELL

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: VOTING, POLITICAL STABILITY, FORM OF GOVERNMENT
Control Number: n/a
Copy: SINGLE
Draft Date: 14 sep 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LISBON06783
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X3
Errors: N/A
Expiration:
Film Number: D780375-0594
Format: TEL
From: LISBON USEEC
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780967/aaaacdcdy.tel
Line Count: 214
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6e172250-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 LISBON 6711
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1434980
Secure: OPEN
Status: NATIVE
Subject: OUTLOOK FOR THE NEW GOVERNMENT
TAGS: PINT, PO
To: STATE
Type: TE
vdkgvwkey: odhc://SAS/SAS.dbo.SAS_Docs/6e172250-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014